

**Before the State of South Carolina
Department of Insurance**

In the matter of:

William J. Hyatt
1706 Hwy. 57 S.
Dillon, South Carolina 29536

**Default Order Revoking
Resident Insurance Producer's Licensing
Privileges**

File Number 2004-122732.

This matter comes before me pursuant to a Letter of Allegation and Notice of Opportunity for Public Hearing served, as required within S.C. Code Ann. § 38-3-170 (Supp. 2004), by the State of South Carolina Department of Insurance upon William J. Hyatt, a licensed South Carolina resident insurance agent, by both certified mail, return receipt requested, and by regular mail on September 27, 2004, and thereafter, an ultimatum served on December 29, 2004.

Those letters informed Mr. Hyatt of his right to request a public hearing upon the allegations of impropriety contained within the letters against him. The letters further warned that his failure to make a timely, written request would result in my summary revocation of his license to do business as a resident insurance agent within the State of South Carolina. Despite those warnings, Mr. Hyatt has failed to respond to the Department's letters. On February 15, 2005, therefore, counsel for the Department filed an Affidavit of Default, and submitted the entire matter directly to me for my summary decision based solely on the record.

The letter alleged, and I now find as fact, that while licensed to do business as a resident insurance producer within the State of South Carolina for Monumental Life Insurance Company, Mr. Hyatt failed to remit premiums to the Insurer. This act, as alleged, is a direct violation of S.C. Code Ann. § 38-43-130 (Supp. 2004). That Code section provides that "the director or his designee may revoke or suspend a producer's license after ten day's notice...when it appears that a producer...has willfully deceived or dealt unjustly with the citizens of this State." This Code section goes on in Subsection (C)(4) to describe "deceived or dealt unjustly with the citizens of this state" specifically to include, but not limited to, action or inaction by the producer as follows: "improperly withholding, misappropriating, or converting any monies received in the course of doing insurance business."

In accordance with my findings of fact, and considering William J. Hyatt's complete refusal to avail himself of his opportunity to be heard, I now conclude, as a matter of law, that he willfully deceived and dealt unjustly with the citizens of South Carolina, thereby violating S.C. Code Ann. § 38-43-130(C)(4) (Supp. 2003), and that his licensing privileges should be revoked.

This administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2004). Nothing contained within this administrative disciplinary

order should be construed to limit or to deprive any person of any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty of the Director of Insurance, exercised either directly or through the Department of Insurance, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the law relative to the business of insurance or the provisions of this title which he considers necessary to report." S.C. Code Ann. § 38-3-110 (4) (Supp. 2004).

It is therefore ordered that William J. Hyatt's license to transact business as a resident insurance producer within the State of South Carolina be, and is hereby, revoked, and that no license, issued through the State of South Carolina's Department of Insurance is to be issued to him.

It is further ordered that a copy of this Order be transmitted to the National Association of Insurance Commissioners for distribution to its current member states and to each insurer for which William Hyatt is currently licensed, through the State of South Carolina Department of Insurance, as a resident insurance producer within the State of South Carolina.

This order becomes effective as of the date of my signature below.

A handwritten signature in black ink, reading "Gwendolyn Fuller McGriff". The signature is fluid and cursive, with the first name "Gwendolyn" being the most prominent.

Gwendolyn Fuller McGriff
Deputy Director

15 February, 2005, at
Columbia, South Carolina

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SCDOI File Number 2004-122732

Affidavit of Default

Personally appeared before me John B. O'Neal III, who, being duly sworn, stated that at all times relevant to this Affidavit of Default he was the attorney representing the State of South Carolina Department of Insurance (the Department) in this administrative action. He further stated the following:

The Department served notice on William J. Hyatt at the address detailed above by a Letter of Allegation and Notice of Opportunity for a Public Hearing that the Department would request the Director of Insurance to summarily revoke his license to act as a resident insurance producer within the State of South Carolina in thirty days. The Department served the Notice, pursuant to S.C. Code Ann. § 38-3-170 (Supp. 2004), by "depositing it in the United States mail, postage prepaid, addressed to the last known address of the person and registered with the return receipt requested." The Notice further informed Mr. Hyatt of his opportunity, **within thirty days**, to request in writing a public hearing.

The Department mailed the Notice by certified mail, return receipt requested, and by regular mail, on or about September 27, 2004, and again on December 29, 2004. The United States Postal Service notified Mr. Hyatt of both certified letters.

William J. Hyatt has made no request for a public hearing, nor complied with our instructions to return the monies to the Insurer. The time in which to do so has expired. He is now in default.

Sworn to and subscribed before me
this 15th. day of February, 2005.

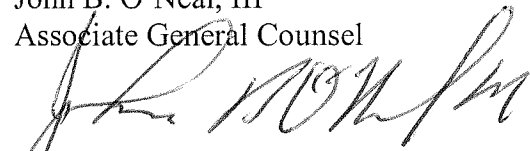


Steven R. DuBois

Notary Public for the State of South Carolina

My Commission Expires: August 14, 2008 May 10, 2009

John B. O'Neal, III
Associate General Counsel



South Carolina Department of Insurance
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